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NOTE BY THE SECRETARY-GENERAL

1. The Secretary-General has the honour to transmit to the Security Council a report submitted by the Executive Chairman of the Special Commission established by the Secretary-General pursuant to paragraph 9 (b) (i) of Security Council resolution 687 (1991) of 3 April 1991.

2. The present report is the sixth report by the Executive Chairman of the Special Commission following the adoption of Security Council resolution 1051 (1996) of 27 March 1996, in paragraph 16 of which the Council called for the consolidation of the reports required under the Council's resolutions 699 (1991) of 17 June 1991 and 715 (1991) of 11 October 1991.[1]

Notes

The Commission's 23 previous reports called for under these resolutions are contained in documents S/23165, S/23268, S/23801, S/24108 and Corr.1, S/24661, S/24984, S/25620, S/25977, S/26684, S/26910, S/1994/489, S/1994/750, S/1994/1138 and Corr.1, S/1994/1422 and Add.1, S/1995/284, S/1995/494, S/1995/864, S/1995/1038, S/1996/258, S/1996/848, S/1997/301, S/1997/774 and S/1998/332.

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Report of the Executive Chairman on the activities of the Special Commission established by the Secretary-General pursuant to paragraph 9 (b) (i) of resolution 687 (1991)

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 2	3
II.	DEVELOPMENTS IN RELATIONS BETWEEN IRAQ AND THE SPECIAL COMMISSION	3 - 23	3
III.	DISARMAMENT: PRIORITY ISSUES	24 - 45	7
	A. Missiles	24 - 26	7
	B. Chemical weapons	27 - 29	9
	C. Biological weapons	30 - 35	11
	D. Concealment, unilateral destruction and documents	36 - 45	13
IV.	ONGOING MONITORING AND VERIFICATION	46 - 60	15
	A. The period under review	46 - 53	15
	B. Future requirements	54 - 60	16
V.	OTHER ISSUES	61 - 66	18
	A. Supplier information	61	18
	B. Aerial operations	62 - 64	18
	C. Material support	65	19
	D. Office space	66	19
VI.	CONCLUSIONS	67 - 78	19

I. INTRODUCTION

1. The present report covers the period from 16 April 1998 to 11 October 1998. It describes the activities carried out by the Special Commission under the mandates given to it under resolutions 687 (1991), 707 (1991), 715 (1991) and 1051 (1996); records main developments in the relations between Iraq and the Commission; addresses some priority issues in the Commission's work; and discusses the operation of the Commission's system of ongoing monitoring and verification. The conclusions are presented in paragraphs 67 to 78.

2. Under the terms of resolutions 1115 (1997) and 1134 (1997), the Executive Chairman was requested to include in his consolidated progress reports an annex evaluating Iraq's compliance with paragraphs 2 and 3 of resolution 1115 (1997). Given that the disarmament activities of the Commission in Iraq have been halted by Iraq's policy decisions of 5 August 1998, to which reference is made below, it is suggested that the body of this report be taken as meeting the reporting requirement on Iraq's compliance with those resolutions. The Security Council has already unanimously stated in resolution 1194 (1998) that Iraq's actions constitute a "totally unacceptable contravention of its obligations" under the Council's resolutions.

II. DEVELOPMENTS IN RELATIONS BETWEEN IRAQ AND THE SPECIAL COMMISSION

3. On 6 May 1998, the Executive Chairman informed the Security Council (S/1998/377) that its requirements, with respect to access to sites and equipment for inspection had been sufficiently implemented to allow for the termination of the provisions of paragraphs 4 and 5 of resolution 1137 (1997), regarding travel restrictions on Iraqi officials and members of Iraq's armed forces. He also informed the Council that Iraq had not yet provided access to records which had been requested previously by the Commission. The travel restrictions were then terminated.

4. On 3 and 4 June, at the request of the Security Council, the Commission provided a technical briefing to the members of the Council on the status of its disarmament work. At the conclusion of the briefing, the Executive Chairman gave members of the Council an informal paper on specific tasks and information, the completion and verification of which were necessary conditions for the formulation of a report pursuant to paragraph 22 of Security Council resolution 687 (1991). That informal paper is contained in document S/1998/529.

5. The Executive Chairman visited Baghdad from 11 to 15 June, to discuss with the Deputy Prime Minister of Iraq the outstanding issues in the various disarmament areas. The Commission's experts gave their Iraqi counterparts a similar briefing to that which had been presented to the Security Council on 3 and 4 June. While Iraq rejected the Commission's list and refused to discuss certain issues from that list (the chemical warfare agent VX, missile propellant and Iraq's concealment activities), the two sides agreed on a schedule for work on certain outstanding disarmament issues in all three weapons areas. It was agreed to carry out that work in the subsequent six weeks. The two sides also

agreed that the Executive Chairman would return to Baghdad in early August to review the results achieved under the schedule for work and to discuss a further schedule, as necessary.

6. The Executive Chairman stressed that the degree of progress which might be able to be recorded as a result of the work envisaged would depend upon the degree to which Iraq cooperated, especially in providing to the Commission the materials it needed, some of the requests for which had been long-standing. He also expressed the belief that, provided the Government of Iraq cooperated fully with the Commission, as required by the relevant Security Council resolutions and as promised by Iraq in the Memorandum of Understanding of February 1998 between the United Nations and Iraq, it should be possible for the Commission to resolve all remaining issues. The Commission could then begin to formulate reports on its work pursuant to paragraph 22 of resolution 687 (1991). The report of the Executive Chairman's visit to Baghdad (S/1998/529, annex) was presented to the Council on 16 June.

7. In accordance with the agreed schedule for work, the Commission then engaged in an intensive programme of inspections, meetings and discussions with the authorities of Iraq. The Commission carried out all of the tasks assigned to it under the schedule for work. While this was done with some cooperation from Iraq, the Commission was not provided with the information and documents it had requested.

8. As part of the process, and in response to Iraq's specific request, a team of biological weapons experts from a number of States and the Commission travelled to Baghdad, in late July, to assess (for the fourth time in 18 months) Iraq's biological full, final and complete disclosure. As had been agreed in the discussions establishing the schedule for work, the experts focused on the material balances contained in the full, final and complete disclosure and were prepared to review any new information which Iraq wished to submit to assist in verification of those balances and its full, final and complete disclosure. Iraq did not submit new information, although new explanations for some outstanding questions were offered. The team concluded that, as currently presented in Iraq's biological full, final and complete disclosure, none of the components of the material balance could be verified. These included biological weapons munitions, bulk biological weapons agent production and microbiological growth media.

9. In addition to the activities under the schedule for work, the Commission's teams carried out a number of inspections, including those designed to uncover more information on proscribed programmes. On 18 July, an Iraqi official took from a Chief Inspector a document related to chemical weapons munitions which had been discovered during an inspection of the headquarters of the Iraqi Air Force. The document had been examined briefly. It was relevant to the work of the Commission. Iraq promised to review the document with the Executive Chairman when he next visited Baghdad. This incident was brought to the attention of the Security Council in a letter from the Executive Chairman dated 22 July 1998.

10. On 2 August, the Executive Chairman returned to Baghdad to assess the implementation of the schedule for work. His assessment was that some important

progress had been made, specifically in the area of missiles, but that progress in other areas had proved to be much less than had been hoped for. The Executive Chairman proposed that Iraq and the Commission proceed to elaborate a further programme of intensive work for the subsequent four weeks. This would aim at bringing remaining issues in the missile and chemical weapons areas to closure before the submission of the Commission's report to the Security Council in October. He proposed that specific expert meetings and inspections be conducted and sought the provision of documents on several issues related to proscribed missile programmes and chemical weapons areas, including the document taken from the Chief Inspector on 18 July.

11. The Deputy Prime Minister rejected the Executive Chairman's proposals. He instead insisted that the Executive Chairman report immediately to the Security Council that there were no more proscribed weapons and related materials and capability in Iraq. He also stated that Iraq would not, indeed would never, give the Commission the document it had taken from a Chief Inspector. The Executive Chairman said he was not in a position to report as now demanded because the Commission did not yet have the evidence required to verify that Iraq had carried out all the actions contemplated in the relevant disarmament paragraphs of resolution 687 (1991). The Deputy Prime Minister responded by saying that further discussions would be "useless". By this action, the meeting was thus terminated. The Executive Chairman returned to New York on 5 August and reported to the Council on 6 August on the outcome of the meeting in Baghdad (S/1998/719).

12. On 5 August, the Revolution Command Council and the Iraqi Regional Command of the Arab Baath Socialist Party issued a statement (S/1998/718, appendix V) in which they, inter alia, called upon the Security Council to apply paragraph 22 of resolution 687 (1991) as a first step on the road leading to the complete and total lifting of sanctions. They also requested that the Council reorganize and relocate the Special Commission. Iraq would totally suspend cooperation with the Commission, but pending action by the Council on its demands, it would allow monitoring activities to continue, according to the requirements of resolution 715 (1991).

13. Having considered the implications of Iraq's actions, the Executive Chairman informed the Security Council on 12 August (S/1998/767) that, in addition to halting all disarmament activities, and contrary to Iraq's statement on monitoring, Iraq's actions placed limitations on the rights of the Special Commission to conduct monitoring. Under these circumstances, the Commission could not provide the Security Council with the required level of assurances of Iraq's compliance with its obligations not to re-establish its proscribed weapons programmes. The Executive Chairman sought the guidance of the Council on how to proceed.

14. In response, in a letter dated 18 August (S/1998/769), the President of the Security Council informed the Executive Chairman that the Council reiterated its full support for the Special Commission in the full implementation of its mandate and noted that Iraq was obliged to provide the Commission with the cooperation necessary for it to undertake the full range of its activities, including inspections.

15. Guided by that letter, the Executive Chairman proposed, in a letter of 19 August to the Deputy Prime Minister, that Iraq and the Special Commission resume the full range of activities and that Iraq confirm that it was prepared to extend to the Commission the cooperation which was necessary for this purpose. The Executive Chairman's proposal did not receive a formal response from Iraq.

16. Following discussions in the Security Council, on 1 September, the Executive Chairman sent briefing notes to the Council on three specific subjects: the discovery of VX degradation products and degradation products of VX stabilizers on warheads remnants; the material balance of special munitions declared by Iraq; and a change in the accounting of the weaponization of biological warfare agents.

17. On 3 September, the Executive Chairman briefed the members of the Security Council on the status of the Commission's monitoring. He summarised the situation following Iraq's decision of 5 August and reported three instances of Iraq blocking the Commission's monitoring.

18. On 9 September, the Security Council unanimously adopted resolution 1194 (1998), in which it, inter alia, condemned Iraq's decision to suspend cooperation with the Commission, terming Iraq's actions a totally unacceptable contravention of its obligations, and demanded that Iraq rescind its decision of 5 August. The Council also decided not to conduct any further reviews provided for in paragraphs 21 and 28 of resolution 687 (1991) until Iraq rescinded its decision and the Commission reported to the Council that it was satisfied that it had been able to exercise its full range of activities provided for in its mandate, including inspections.

19. In the preamble to resolution 1194 (1998), the Security Council had expressed its readiness to consider, in a comprehensive review, Iraq's compliance with its obligations under all relevant resolutions once Iraq has rescinded its 5 August decision and demonstrated that it was prepared to fulfil all its obligations, including, in particular, on disarmament issues, by resuming full cooperation with the Commission consistent with the Memorandum of Understanding. The Commission stands ready to contribute to such a review if the Council so decides.

20. During the period under review, the Commission conducted technical discussions with the Russian Federation for the possible provision of an AN-30 aircraft, in order to increase its aerial surveillance capabilities in Iraq. A delegation from the Commission and Russian representatives visited Baghdad in June 1998, in order to assess the operational and logistical requirements for the deployment of one AN-30 aircraft, its crew and support personnel in Iraq. The delegation met with Iraqi authorities in order to request the technical and logistical support from Iraq for such deployment.

21. For operational reasons, the Commission requested that the AN-30 unit be based at Rasheed airbase, near Baghdad, where the Commission's helicopter unit was already based. The Iraqi authorities rejected this, citing security concerns. Instead, Iraq proposed that the AN-30 unit be based at Habbaniyah airbase, located 120 kilometres from Baghdad. This was not accepted by the

Commission, on operational grounds, and because it was in contravention of the Commission's rights.

22. During the period under review, the Commission organized a number of meetings of internatical experts in New York to consider some outstanding disarmament issues. These included: the explosive methods used for Iraq's unilateral destruction of missile warheads; and Iraq's declarations on the filling of special warheads.

23. The sixteenth plenary session of the Special Commission was held in New York from 28 September to 1 October 1998. Technical briefings were presented to the Commissioners. Draft elements for inclusion in the Commission's current report were considered and discussed.

III. DISARMAMENT: PRIORITY ISSUES

A. Missiles

24. In the missile area, the schedule for work covered issues related to warheads and indigenous missile production. Iraq refused to discuss the issue of proscribed liquid missile propellant and did not respond positively to the Commission's requests for access to specific documents that would facilitate the completion of the verification of outstanding missile disarmament issues.

25. The following is an account of progress achieved in the missile area and the status of the outstanding issues:

(a) Missile warheads, both special and conventional

- The Commission was able to account for the destruction of between 43 and 45 of the 45 operational special warheads declared by Iraq as having been unilaterally destroyed in 1991. This constituted a major accomplishment;

- The VX issue needs to be resolved for the Commission to be in a position to assess whether the current accounting of special warheads is sufficient to verify fully both the declared production of proscribed special warheads and their claimed unilateral destruction (see para. 29 (b));

- The Commission arrived at an assessment, based on the discussions with international experts, that Iraq's declarations on the unilateral destruction of the special warheads did not match all the physical evidence collected at the destruction sites. On 3 August, the Commission asked Iraq to discuss this issue;

- The Commission and Iraq have been able to identify jointly steps to clarify some of the problems related to Iraq's actions of 1991 to hide special warheads. The Commission briefed the Security Council on this issue on 3 and 4 June. This effort was terminated by Iraq on 30 July

when it refused to provide access to relevant sites and to discuss this issue any further;

- Accounting of proscribed conventional warheads, as a part of resolution of the overall issue of proscribed warheads, has been significantly advanced. Issues related to remnants of some 50 conventional warheads (both imported and indigenously produced by Iraq) that have not been recovered still remain outstanding and clarifications were sought from Iraq. Iraq was also asked to state its opinion on whether the current accounting, regardless of the remaining gaps, should be considered final or further useful work by Iraq and the Commission could be undertaken to close the remaining gaps. No answer has been received;

(b) Indigenous missile production. Considerable progress has been achieved in this area through the conduct, as agreed in the schedule for work, of expert meetings in Baghdad in July 1998 to review the status of indigenous production, the material balance and the unilateral destruction thereof. In order to obtain sufficient information for verification assessments in this area, it was decided to focus only on complete missiles and on such key missile parts as engines, gyroscopes and warheads;

- Missiles. The issue of seven indigenously produced missiles that were in the possession of Iraq's missile force in 1991 remains unresolved. Iraq maintains that they were training missiles and that they were unilaterally destroyed in 1991. No remnants of indigenous missiles or their engines have been recovered by the Commission at the declared destruction sites;

- Missile engines. The team of international experts, invited by the Commission to the July meeting on this issue, came to an assessment that, by the end of 1990, Iraq had the capability to assemble a limited number of engines for its indigenously produced proscribed missiles. The international experts considered that Iraq needed to account for the key components from this programme. Progress has been achieved in the development of a rough material balance of components for the production of engines for proscribed missiles. Additional verification work has been recommended;

- Missile gyroscopes. The team of international experts came to the conclusion that, by the end of 1990, Iraq did not have the capability to manufacture either indigenously, or to assemble from foreign components, gyroscopes for its indigenous missiles. Although the team recommended some additional verification activities to be undertaken by the Commission, it came to the conclusion that, owing to the methods used by Iraq in its unilateral destruction and the incompleteness of destruction inventories provided by Iraq, the establishment of even a rough material balance of proscribed guidance and control components may not be able to be achieved;

- Conventional missile warheads. Through joint work, Iraq and the Commission were able to account for most of the proscribed missile

warheads. However, remnants of some 30 indigenously produced conventional warheads, which Iraq declared as unilaterally destroyed, have not yet been found;

(c) Proscribed liquid missile propellants. Iraq refuses to address this matter. The Commission still considers that a solution to the issues related to the unilateral destruction of proscribed liquid missile propellants could be obtained through the provision by Iraq of existing documentation. Were this to be provided, verification could be achieved immediately.

26. On 3 August 1998, the Executive Chairman outlined specific steps to Iraq directed at bringing remaining issues in the missile area to closure. This schedule included: the provision by Iraq of clarifications on the outstanding issues in the warhead area; a meeting of experts on this issue; and an inspection to verify accountable aspects of the material balance and the unilateral destruction of major components for indigenous missile production. The Executive Chairman also proposed to undertake, during his stay in Iraq, serious consideration of the issue of unilateral destruction of special warheads. These proposals were not accepted by Iraq.

B. Chemical weapons

27. The Special Commission has sought to resolve the most important outstanding issues. These include the verification of the material balance of special munitions, including the accounting for 550 artillery shells filled with mustard chemical warfare agent, verification of the unilateral destruction of R-400 chemical and biological aerial bombs, and the provision by Iraq of the document sighted during the inspection at the headquarters of the Iraqi Air Force; accounting for the production of the chemical warfare agent VX; and verification of the completeness of declarations provided by Iraq on the material balance of chemical weapons production equipment.

28. The Commission identified these issues as priorities on two grounds. First, the resolution of these particular issues would allow the Commission to verify the disposition of Iraq's most advanced proscribed weapons and capabilities and, secondly, their resolution would increase considerably the degree of confidence in the accounting of other areas where gaps and inconsistencies still remain.

29. During the reporting period, some progress was achieved. Iraq provided documents and clarifications on a number of issues, which the Commission sought to verify. The status of outstanding issues is given below:

(a) Material balance of chemical munitions

- 155 mm shells filled with mustard. Iraq declared that 550 shells filled with mustard had been lost shortly after the Gulf war. To date, no evidence of the missing munitions has been found. A dozen mustard-filled shells were recovered at a former chemical weapons storage facility in the period 1997-1998. The chemical sampling of these munitions in April 1998 revealed that the mustard was still of

the highest quality. After seven years, the purity of mustard ranged between 94 per cent and 97 per cent. Iraq still has to account for the missing shells and to provide verifiable evidence of their disposition. In July 1998, Iraq promised to provide clarifications on this matter. To date, only preliminary information has been provided by Iraq on its continuing internal investigation;

- R-400 aerial bombs. Among 1,550 R-400 bombs produced by Iraq, more than 1,000 bombs were declared as destroyed unilaterally by Iraq, including 157 bombs stated as filled with biological warfare agents. The accounting for about 500 bombs unilaterally destroyed was not possible owing to the state and extent of destruction. In order to bridge the gap, the Commission requested Iraq to provide the documentation on the disposition of the tail parachute sections of R-400 bombs. The accounting for these components would enable the Commission to verify the maximum number of R-400 bombs, which Iraq could have produced. Though this would not resolve the specific issue of the quantity and composition of biological weapons bombs, including allocation of biological weapons agents, it may facilitate the final accounting for the chemical R-400 bombs. Iraq presented the information sought on the disposition of tail sections but field inspection activities are still required;

- Balance of munitions. The document referred to in paragraph 9 of the present report detailed the consumption of special munitions by Iraq in the 1980s. The figures in that document indicate serious discrepancies with Iraq's declarations. The provision by Iraq of the document, as sought by the Commission, would assist in the verification of the accounting for Iraq's total holdings of chemical weapons;

(b) Accounting for the production of chemical warfare agent VX

- According to Iraq, 3.9 tonnes of VX were produced in total: some 2.4 tonnes in 1988, the remainder in 1990. Iraq provided documents on the 1988 production but did not provide sufficient verifiable evidence on the status of its 1990 production. Iraq has claimed, however, that its VX production programme failed owing to the low purity and instability of the agent produced. The Commission's view is that Iraq was certainly able to produce VX, and probably produced it in quantity. However, the achieved level of verification of precisely how much VX was produced by Iraq is not satisfactory. In addition, Iraq denies that it weaponized VX. Sampling by the Commission of special warheads has thrown significant doubt upon this claim;

- In April 1998, the Commission decided to remove some remnants of special missile warheads destroyed unilaterally by Iraq and sample them in a laboratory outside Iraq. The purpose was to verify Iraq's declarations on the filling of the special warheads. Forty-four metal fragments of different types of warheads were selected for sampling. Initially Iraq did not permit the removal of samples for analysis. In May 1998, the samples were sent for analysis to a laboratory in the

United States of America. This analysis was completed by mid-June. Degradation products of the chemical warfare agent VX were found in some samples. As Iraq had hitherto denied weaponization of VX, it was asked to provide its clarifications. To date no clarifications have been provided;

- In July 1998, at Iraq's request, the Commission held an international expert meeting in Baghdad to present and to discuss with Iraq's authorities the results of analysis carried out earlier in the United States laboratory. Iraq did not challenge the analytical results presented, but continues to insist that VX had never been weaponized;

- In June and July 1998, the Commission took different wipe samples from other special missile warhead remnants remaining in Iraq in order to collect more data on the types of their chemical fill. Forty-three samples were sent to the same laboratory in the United States, 40 samples sent to a laboratory in France and 40 samples to a laboratory in Switzerland. The analysis of all these samples is not yet complete;

- In September 1998, the Commission held an international expert meeting, with the participation of specialists from the laboratories involved in the analysis of samples. In addition, experts from China, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland attended the meeting. All analytical results available to date were considered valid by the assembled experts. The Commission expects to receive final reports from the laboratories in the middle of October 1998;

(c) Material balance of chemical weapons production equipment. The Commission determined that 197 pieces of glass chemical weapons production equipment had been removed by Iraq from the Muthanna State Establishment, Iraq's prime chemical weapons production site, in 1991, prior to the arrival in Iraq of the first inspection team. This equipment has been repeatedly moved in shipping containers between several facilities in Iraq in the period 1991-1996. One hundred ninety-seven pieces of this equipment were destroyed under UNSCOM supervision in 1997. To ensure that all chemical weapons production equipment removed from Muthanna has been accounted for, the Commission has asked Iraq to provide clarifications on the movement of all such equipment. Iraq presented its clarifications to the Commission in July 1998. However, field verification, which is required, has been blocked since Iraq's 5 August decision.

C. Biological weapons

30. The outstanding issues in the area of biological weapons were outlined in the report of the Special Commission to the Security Council of 16 April 1998 (S/1998/332). The priority issues were related to major elements of Iraq's biological weapons programme.

31. As mentioned in paragraph 8 of the present report, Iraq requested that its biological weapons full, final and complete disclosure of September 1997 be

assessed, again, by international experts during a special meeting for that purpose which was held in Baghdad in July 1998. It should be noted that international experts assembled by the Commission had examined Iraq's biological weapons declarations on three previous occasions and expressed the unanimous view that Iraq's disclosures were incomplete, inadequate and technically flawed.

32. On this occasion, the Executive Chairman proposed that the July 1998 meeting should focus primarily on the material balance of biological weapons produced and disposed of by Iraq. This suggestion was made in an attempt to encourage a new approach towards the solution of what had become a serious problem. Iraq agreed to this proposal. This approach required the following key elements of the material balance to be considered and analysed: munitions produced for biological weapons purposes, munitions filled with biological warfare agents, destroyed filled and unfilled munitions; biological warfare agents produced in bulk, quantities of weaponized biological weapons agents, quantities of biological weapons agents that remained in bulk, and quantities destroyed.

33. During the July 1998 meeting, Iraq was invited to explain or amend information related to the material balances in its full, final and complete disclosure and provide new data and supporting evidence which would facilitate the verification process. Iraq did not provide new information of substance or documents.

34. The July meeting examined each component of the material balances as presented in Iraq's biological weapons full, final and complete disclosure.

(a) Biological weapons munitions. Iraq declared that it had produced and filled with biological weapons agents special warheads for the Al Hussein missiles and R-400 aerial bombs. Iraq also disclosed the development of biological weapons spray tanks and some other weapon systems for the delivery of biological weapons agents. The experts' assessment of major declared biological weapons weapon systems are summarized below:

- Al Hussein missile warheads. The Commission has not been able to verify the biological weapons missile warheads material balance, including production and destruction. This assessment was also made by the team of international experts. One week after the end of the July meeting, a senior Iraqi official stated that instead of the declared five anthrax and sixteen botulinum toxin missile warheads, there had been in fact sixteen anthrax and five botulinum toxin missile warheads filled. The official insisted that this change in disclosure would not affect Iraq's declaration on the total quantity of biological weapons agents produced and weaponized. Iraq did not present any supporting documents or other specific evidence to substantiate the new statement. This new explanation contradicted all accounts of the unilateral destruction of special warheads, including those filled with biological warfare agents, that had been provided for the previous three years by Iraqi personnel directly involved in warhead filling and destruction activities;

- R-400 aerial bombs. As determined by the team of international experts, none of the sub-components of the R-400 bombs material balance could be verified. No evidence exists as to the total number of weapons filled and no consistent explanation was provided for the allocation of biological weapons agents to weapons;

- Drop tanks. The development of the drop tank for dissemination of biological weapons agents appears to have been pursued with the utmost vigour by Iraq. The team of international experts assessed that the account in the full, final and complete disclosure of the drop tank project could not be verified;

- Aerosol generator. Aerosol generators for biological weapons agents were developed by Iraq by modification of helicopter-borne commercial chemical insecticide disseminators. A document was submitted by Iraq that reports the successful testing of such devices in August 1988. Iraq did not account for the final disposition of the devices produced. The expert team assessed that the account of the biological weapons aerosol generators could not be verified;

(b) Biological weapons agents. The level of production of bulk biological weapons agents remains unverifiable. The international experts came to the conclusion that the material balance of biological weapons bulk agents, including those weaponized, could not be verified. It is not possible to determine if biological weapons agents produced were dried to enhance storage stability;

(c) Growth media. The material balance in this area as declared by Iraq is full of uncertainties. The acquisition of media by Iraq cannot be verified. The figures presented in the full, final and complete disclosure for media consumed in the production of biological weapons agents have little or no supporting evidence. The international expert team assessed that the material balance for the growth media could not be verified.

35. The international expert team at the July 1998 meeting concluded that Iraq's full, final and complete disclosure, in its totality, could not be verified. The team recommended that no further verification of Iraq's current biological weapons full, final and complete disclosure be conducted at the senior international expert level, until Iraq commits itself to provide substantive, new information.

D. Concealment, unilateral destruction and documents

36. The Commission's work designed to bring Iraq's prohibited weapons and related capabilities to final account has been significantly influenced by three Iraqi actions:

(a) The policy and practice of concealment;

(b) The actions collectively termed "unilateral destruction", by which Iraq secretly, and in contravention of resolution 687 (1991), destroyed weapons and related materials;

(c) The repeated denial of the existence of relevant documents on proscribed activities, with the exception of those Iraq unilaterally chooses to provide to the Commission.

37. Collectively, these three elements have made the verification of the series of declarations provided by Iraq far more difficult than should have been the case. This has seriously delayed the Commission's work. Over time, the Commission has achieved improvements in its understanding in each weapons area, largely through forensic methods, which may have been unnecessary had there been the full disclosure by Iraq required by the Security Council.

38. Iraq acknowledges concealment actions during the period 1991-1995. The goal was to satisfy the initial inspectors with limited amounts of missile and chemical weapons capabilities, which were duly destroyed in accordance with Security Council resolutions. However, as the Commission pursued the objectives of those resolutions, the Government of Iraq took further steps, including the secret unilateral destruction of retained weapons.

39. The pervasive extent of actions by Iraq to conceal proscribed weapons, production capability and documents and to limit knowledge about the degree of advancement of Iraq's weapons development efforts became obvious after the departure from Iraq of Lt. Gen. Hussein Kamal in August 1995. The Commission was then confronted with the fact that Iraq had successfully implemented concealment on a large scale.

40. Examples exist in all weapons areas. Programmes which were hidden include: indigenous missile production programme, the VX programme and the entire biological weapons programme. Over 150 boxes of documents preserving know-how of proscribed activities had been carefully selected and hidden from the Commission for years.

41. Given this background, the Commission has worked towards gaining an understanding of the full extent of Iraq's concealment efforts. These activities have been the source of much friction with Iraq during the last two years. The conduct of concealment inspections as well as other inspections designed to discover retained prohibited materials or documents has raised issues of access. It is fair to note that this would not have occurred had Iraq provided full and credible declarations after 1995. The Commission has been obliged to make extraordinary efforts to overcome these impediments. This has been very costly and time-consuming.

42. The Commission has raised the matter of concealment during high-level talks with Iraq. Iraq has been asked to provide evidence that such concealment has been terminated, but it has declined to discuss this issue.

43. Iraq's declarations on how it unilaterally destroyed its prohibited weapons have been wrong in some key ways. Because uncertainty remains with respect to

some particular weapons, the inability to verify key parts of claimed weapons destruction is significant.

44. Understanding the full extent of Iraq's concealment actions is important to bolstering the credibility of the monitoring. Iraq successfully concealed a large portion of its proscribed capabilities even during the operation of the Commission's monitoring system. Understanding fully how this was done is elemental to being able to assure the Security Council that such actions may be detected in the future.

45. A clear resolution of these issues (concealment, unilateral destruction and documentation) would increase the level of confidence of any assessment by the Commission on the verification of Iraq's declarations of its proscribed weapons programmes, and their disposal.

IV. ONGOING MONITORING AND VERIFICATION

A. The period under review

46. Prior to 5 August 1998, monitoring activities were conducted without major incident. Iraq's decision of 5 August specifically stated that monitoring activities according to the requirements of Security Council resolution 715 (1991) would continue. This statement, per se, should not place any restrictions on the Commission's ability to conduct monitoring activities at any site throughout Iraq. In fact, this is not the case. Iraq's authorities made it clear that "capable site inspections" would not be permitted to continue, as such inspections were considered by Iraq to be potentially related to the disarmament phase of the Commission's work. This position was demonstrated when, on 23 September, a monitoring team attempted an inspection of an undeclared facility deemed to be a "capable" site (i.e., a site that the Commission seeks to confirm does not possess undeclared dual-use capabilities) and was blocked.

47. Such Iraqi actions contravene the Commission's monitoring plan, approved by resolution 715 (1991). This resolution affirms the rights of the Commission to continue to have the responsibility for designating additional locations for inspection. On a number of occasions, monitoring groups have also been refused access to information relating to monitoring. The reason cited for these refusals by the representatives of the Government of Iraq was that they considered the requested information irrelevant to monitoring.

48. The following paragraphs give an overview of monitoring in each of the weapons areas and the activities undertaken during the last six months.

Missile monitoring

49. The missile monitoring group at the Baghdad Monitoring and Verification Centre currently consists of six resident inspectors from five States. The group currently monitors 63 sites and 159 tagged items of equipment. Over 2,000 operational missiles have been tagged to ensure that they are not modified for proscribed purposes.

50. Iraq has continued its development of the Al-Samoud missile system, which has a declared range of less than 150 kilometres. The issue of reuse by Iraq of Volga surface-to-air missile components in the development of the Al-Samoud missile continues to be unresolved, as detailed in the Commission's report of 16 April 1998 (S/1998/332).

Chemical monitoring

51. The chemical monitoring group currently consists of 10 inspectors, three laboratory chemists and one explosive ordnance disposal specialist, from 11 States. The group periodically inspects 120 sites under monitoring and, occasionally, other sites (to date 52) ranging from petrochemical facilities to water treatment plants. There are 518 items of tagged dual-use equipment, as well as thousands of tonnes of dual-use chemicals now being monitored. The group continues to discover undeclared dual-use items and materials (i.e., equipment subject to monitoring which has not been declared by Iraq). Those items, which should have been declared by Iraq under the Commission's monitoring plan, have subsequently, in the main, been tagged.

Biological monitoring

52. The biological monitoring group currently consists of a total of 11 inspectors from 9 States. Iraq provides semi-annual declarations for 91 sites. There are 1,335 items of tagged equipment under monitoring by the Commission's biological monitoring team. As with the chemical monitoring group, the biological monitoring group continues to find dual-use materials which should have been declared by Iraq.

Export/import monitoring

53. The export/import monitoring group consists of five inspectors from five States. The principal aim of such inspections is to verify the arrival of imports of dual-capable items, notifiable under the export/import monitoring mechanism. A separate inspection was conducted of Iraq's customs and general import structure, with the aim of identifying elements of the overall export/import monitoring mechanism which could be refined in the light of the system and procedures currently operating in Iraq. During the reporting period, the joint unit of the Commission and the International Atomic Energy Agency (IAEA) has received notification of some 60 potential or actual transactions involving the import into Iraq of notifiable dual-capable items. The export/import monitoring mechanism is currently being reassessed in order to avoid difficulties in relation to the definition of items which are subject to notification.

B. Future requirements

54. Ongoing monitoring and verification of Iraq's compliance with its unconditional obligation not to use, retain, possess, develop, construct or otherwise acquire any weapons or related items prohibited under paragraphs 8 and 9 of resolution 687 (1991) has been under way in Iraq for four years. The Commission therefore has considerable practical experience and is in a position

to assess what will be required in the future to ensure that the mandate laid down by the Security Council is effectively implemented. These requirements can be described under two equally important main headings: resources; and the full implementation of the Council resolutions, of the Security Council, including a full, final and complete disclosure by Iraq of all prohibited weapons programmes and verification of their elimination.

Resources

55. The Commission's monitoring plan is wide-ranging in terms of the scope of dual-capable items and materials it encompasses. While these overlap with other arms control and non-proliferation regimes, they are not the same as any other. The list of dual-capable items and materials which are covered in the Commission's monitoring plan also derives from Iraq's prohibited weapons programmes. The list, particularly in respect of chemical and biological monitoring, is extensive, covering a wide range of dual-capable items, a limited number of which exist in significant amounts in Iraq. For example, there is the case of the dual-capable chemical, sulphur, where Iraq's current holdings stand at over 2 million tonnes. Dual-capable items also legitimately exist in many different locations. For example, the list of items subject to biological monitoring includes crop sprayers, whose ultimate legitimate end-use is necessarily by farmers in many different locations.

56. It is anticipated that some adjustments may be able to be made to the identification of the items and materials on the lists in order to achieve greater clarity and in some instances where it is judged that a higher threshold of declarable items can be safely implemented. In addition, it will remain the case that a higher degree of confidence will be in some measure dependent upon the degree of verification of the non-prohibited use of dual-capable items that it is possible to achieve. At the time of modification of the sanctions regime, it is assumed that the acquisition of such items would expand dramatically, with a consequent impact on the verification aspect of monitoring. An added element is that in the seven years since the adoption of the monitoring plan, there have also been technological developments which have rendered the acquisition of certain items and materials easier than was hitherto the case.

57. The Commission is currently preparing an assessment of what additional resources will be required in the future for the monitoring system to be effective. This will encompass, inter alia, personnel, training, equipment, logistic support, infrastructure and buildings. In this context, it should be noted that much of the Commission's support is currently provided on a no-cost basis by Governments. But this was not considered to be a permanent situation. Furthermore, the funding arrangements for the Commission currently established under resolution 986 (1995) and associated resolutions constitute only partial, temporary arrangements. The Security Council will therefore need to consider, perhaps relatively soon, how adequate and assured funding of the Commission's monitoring activities can be provided for in the future.

Full implementation of the decisions of the Security Council

58. The second main requirement for monitoring to achieve its stated aim in the future is the full implementation of the Security Council's mandate. Most

critical is full compliance by Iraq with the relevant resolutions. For monitoring, this means not only the full and timely provision of information by Iraq, but also unconditional access by the Commission's inspection teams to all sites and locations designated by it. As described above, the Government of Iraq is currently preventing the Commission from conducting the full scope of monitoring and disarmament inspections. As this continues, confidence in the monitoring system is diminishing. A monitoring regime with limited or no ability to designate sites for inspection will have no credibility.

59. Confidence in Iraq's commitment to cooperate with the Commission in monitoring is further undermined by the failure of the Government of Iraq to enact the national implementation measures called for in the plan for ongoing monitoring and verification and endorsed by the Security Council under resolution 715 (1991) to ensure that Iraq, and in particular any of its nationals, does not again resume proscribed activities.

60. Finally, the Commission's monitoring regime was designed on the assumption that the resolutions of the Security Council would be fully implemented by Iraq. This includes the full implementation by Iraq of section C of resolution 687 (1991). It thus assumes: a complete cessation of all prohibited programmes by Iraq; and the need to pursue disarmament issues only in very rare instances. Were these assumptions not realized, a far more intrusive monitoring system than currently exists would need to be considered, if the Commission were to be able to provide the Council the assurances it requires.

V. OTHER ISSUES

A. Supplier information

61. As noted in many of its earlier reports to the Security Council, the Special Commission has sought the assistance of many Governments with respect to obtaining data on supplies of materials and equipment to Iraq's prohibited weapons programmes. These data constitute a valuable tool in the Commission's verification work. While some Governments have been willing to assist the Commission in this respect, others have not responded positively to its requests.

B. Aerial operations

62. On several occasions during the period under review, Iraq refused to allow the Special Commission to exercise its rights with respect to its aerial assets. They included:

(a) Iraq's refusal to accept that the Commission's transport aircraft (L-100) land and take off on a regular basis from Rasheed airbase, instead of Habbaniyah airbase, which is located some 120 kilometres from Baghdad;

(b) Iraq's refusal to allow the L-100 to land and take off as required from other airfields in Iraq, such as Basra;

(c) Iraq's refusal to accept that an AN-30 unit be based at Rasheed airbase, where the Commission's helicopter unit working for UNSCOM is currently based (see paras. 20 and 21 above).

63. The Commission will continue to ask that it be given its rights in order to improve its aerial operations in Iraq, in particular, taking into account their importance for effective monitoring.

64. The Commission's aerial inspection team continues to undertake aerial inspections of sites subject to monitoring and to provide aerial support to ground inspection teams. The imagery derived from the Commission's high-altitude surveillance aircraft (U-2) continues to provide important information for the Commission's and IAEA inspection activities. The addition of a Mirage-IV surveillance aircraft has also enhanced the capacity of the Commission to monitor Iraq's compliance with the relevant resolutions. The addition of an AN-30 surveillance aircraft would further enhance the capacity of the Commission and IAEA. Iraq's refusal to provide the basing for such an aircraft at the location designated by the Commission has, so far, delayed any decision on this subject.

C. Material support

65. The Commission remains grateful to all States that have continued to provide the Commission with material support in the conduct of its operations. A most notable contribution is the continued generous provision of premises by Bahrain for the Commission's field offices. The Secretary-General and the Director General of IAEA have recently written to the Minister for Foreign Affairs of Bahrain proposing a further six-month extension of the field office agreement until the end of March 1999, as they deem Bahrain's contribution to be a vital element in the operations of the Commission and IAEA under the Security Council resolutions.

D. Office space

66. The extreme inadequacy of the office space at the Commission's headquarters in New York remains a serious problem, as already mentioned in the Special Commission's report of 11 April 1997 (S/1997/301). The support of the Security Council in efforts to solve this problem would be appreciated.

VI. CONCLUSIONS

67. It is suggested that three central facts emerge from the present report on the Commission's work with Iraq during the last six months: the disarmament phase of the Security Council's requirements is possibly near its end in the missile and chemical weapons areas but not in the biological weapons area; Iraq is permitting the monitoring work of the Commission to be exercised only at a less than satisfactory level, yet its development is vital to the future; and full disclosure by Iraq of all necessary materials and information remains the

crucial ingredient for both an end to the disarmament process and future monitoring.

68. Iraq's present stance rests on its ambit claim that it has already fulfilled all of the Security Council's disarmament requirements. It has asked the Council to accept this claim, immediately.

69. Argumentation Iraq employs in support of its claim includes the demand that the Commission prove to Iraq that it continues to hold prohibited weapons and associated capabilities. This argumentation, were it to be accepted, would reverse the onus of disclosure clearly placed upon Iraq by the Security Council and instead would require the Commission to make the full disclosure of proscribed items, which only Iraq can make. The question may be asked what sound purpose would be served were the Commission to substitute for Iraq's statement an overall statement of its own. Would Iraq then be asked to verify the Commission's statement?

70. The biological weapons area is a revealing example of these facts. For half of the eight-year period of the relationship between Iraq and the Special Commission, Iraq declared that it had no biological weapons programme. When that claim was no longer tenable, Iraq provided a series of disclosure statements all of which have been found by international experts, on multiple occasions, to be neither credible nor verifiable.

71. The Commission has worked as constructively as it could, with Iraq, to try to shed light on the biological weapons area, including by suggesting a new approach in June this year. But Iraq failed to take that opportunity, failed to provide the disclosures which are essential to the fulfilment of the disarmament mandate in the biological weapons area.

72. As indicated in the present report, the priority issues in the missile and chemical weapons areas, while important, are not large in number. Cooperation by Iraq, full disclosure, could make it possible for those areas to be considered for transition to long-term monitoring and verification at a relatively early date.

73. It must be recorded, however, that for this to be the case, a satisfactory resolution of the question of the chemical warfare agent VX needs to be achieved, because of its implications for both the chemical weapons and the missile files. This involves not just the question of VX weaponization, but also the more fundamental question of Iraq's record of VX production. Again, there can be no substitute for full disclosure by Iraq on this matter, a disclosure that has never been made.

74. The present report also discusses the additional very serious impediments to the Commission's disarmament work caused by Iraq's unilateral destruction and concealment actions and its withholding of relevant documents.

75. The Security Council may need to consider, at some stage, that these actions by Iraq may have the ultimate effect that the Commission will be obliged to conclude that it is unable to provide 100 per cent verification of the claimed fate or disposition of prohibited weapons.

76. In cases where such a conclusion comes to be accepted by the Security Council, the effectiveness of the future monitoring system, including the Commission's right of full access to any relevant sites, becomes even more important. As this report records, the Commission is studying the nature and the resource requirements of the future monitoring system. It expects to seek the guidance of the Council in this area shortly.

77. As indicated in the present report, the Special Commission is ready to assist, as the Security Council may require, in any comprehensive review of Iraq's compliance with its obligations under relevant resolutions of the Council. With respect to its mandate under section C of resolution 687 (1991), the Commission would be able to provide a comprehensive statement of the current disarmament situation, with an indication of the level of verification achieved.

78. The Special Commission is grateful to the Security Council for the diligent attention it has continually given to it and to its task.